

188309

STATE OF SOUTH CAROLINA

(Caption of Case)

APPLICATION OF SOUTH CAROLINA ELECTRIC  
AND GAS COMPANY FOR ADJUSTMENTS AND  
INCREASES IN THE COMPANY'S ELECTRIC  
RATE SCHEDULES AND TARIFF

BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

## COVER SHEET

DOCKET  
NUMBER: 2007 - 229 - E

(Please type or print)

Submitted by: Michael L. Kurtz, Esq.

Kurt J. Boehm, Esq.

Address: 36 E. Seventh St., Suite 1510  
Cincinnati, Ohio 45202

SC Bar Number:

Telephone:

513-421-2255

Fax:

513-421-2764

Other:

Email: mkurtz@bkllawfirm.com; kboehm@bkllawfirm.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

## DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition☐ Request for item to be placed on Commission's Agenda expeditiously☐ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input checked="" type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

**BOEHM, KURTZ & LOWRY**

ATTORNEYS AT LAW  
36 EAST SEVENTH STREET  
SUITE 1510  
CINCINNATI, OHIO 45202  
TELEPHONE (513) 421-2255  
TELECOPIER (513) 421-2764

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SOUTH CAROLINA  
PUBLIC SERVICE COMMISSION

**Via Overnight Mail**

September 17, 2007

The Honorable Charles L. A. Terreni  
Chief Clerk/Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29210

***Re: Docket No. 2007-229-E***

Dear Mr. Terreni:

Please find enclosed the original and ten (10) copies of the KROGER CO.'S FIRST SET OF DATA REQUESTS TO SOUTH CAROLINA ELECTRIC AND GAS in the above-referenced matter.

By copy of this letter, all parties of record have been served. Please place this document of file.

Very Truly Yours,



Michael L. Kurtz, Esq.  
Kurt J. Boehm, Esq.  
**BOEHM, KURTZ & LOWRY**

MLKkew  
Attachments

## CERTIFICATE OF SERVICE

I hereby certify that true copy of the foregoing was served by regular U.S. mail (unless otherwise noted), this 17<sup>th</sup> day of September, 2007 to the following:

**Damon E Xenopoulos** , Esquire  
Brickfield Burchette Ritts & Stone, PC  
1025 Thomas Jefferson Street, NW  
8th Floor - West Tower  
Washington, DC, 20007

Email: dex@bbrslaw.com  
Phone: 202-342-0800  
Fax: 202-342-0807

**E. Wade Mullins, III** , Counsel  
Bruner Powell Robbins Wall & Mullins, LLC  
Post Office Box 61110  
Columbia, SC, 29260

Email:  
Phone: 803-252-7693  
Fax: 803-254-5719

**Audrey Van Dyke** , Counsel for Sec. of the Navy  
Department of Navy  
720 Kennon St., S.E. Building 36, Room 136  
Litigation Headquarters  
Washington Navy Yard, DC, 20374

Email: audrey.vandyke@navy.mil  
Phone: 202-685-1931

**Khojasteh (Kay) Davoodi** , Director, Utility Rates and Studies Office  
Department of Navy  
Naval Facilities Engineering Command  
1322 Patterson Avenue, SE  
Washington Navy Yard, DC, 20374-5065

Email: Khojasteh.Davoodi@navy.mil

**Scott Elliott** , Counsel  
Elliott & Elliott, P.A.  
721 Olive Street  
Columbia, SC, 29205

Email: selliot@elliottlaw.us.  
Phone: 803-771-0555  
Fax: 803-771-8010

**Belton T. Zeigler** , Counsel  
Haynsworth Sinkler Boyd, PA  
Post Office Box 11889  
Columbia, SC, 29211

Email: beltonzeigler@hsblawfirm.com  
Phone: 803-540-7815  
Fax: 803-540-7721

**J. David Black** , Counsel  
Nexsen Pruet Adams Kleemeier, LLC  
Post Office Drawer 2426  
Columbia, SC, 29202

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Email: DBlack@nexsenpruet.com  
Phone: 803-540-2072  
Fax: 803-253-8277

**Nanette S. Edwards** , Counsel  
Office of Regulatory Staff  
Post Office Box 11263  
Columbia, SC, 29211

Email: nsedwar@regstaff.sc.gov  
Phone: 803-737-0800  
Fax: 803-737-0895

**Shannon Bowyer Hudson** , Counsel  
Office of Regulatory Staff  
Post Office Box 11263  
Columbia , SC, 29211

Email: shudson@regstaff.sc.gov  
Phone: 803-737-0800  
Fax: 803-737-0895

**Eric J. Krathwohl** , Counsel  
Rich May, P.C.  
176 Federal Street, 6th Floor  
Boston, MA, 02110

Email:  
Phone: 617-556-3857  
Fax: 617-556-3890

**Catherine D. Taylor** , Senior Counsel  
South Carolina Electric and Gas Company  
1426 Main Street, M/C 130  
Columbia, SC, 29201


Email: cdtaylor@scana.com  
Phone: 803-217-7880  
Fax: 803-217-7931

**K. Chad Burgess** , Counsel  
South Carolina Electric and Gas Company  
1426 Main Street, MC 130  
Columbia , SC, 29201

Email: chad.burgess@scana.com  
Phone: 803-217-8141  
Fax: 803-217-7931

**Mitchell M. Willoughby** , Counsel  
Willoughby & Hoefer, P.A.  
Post Office Box 8416  
Columbia, SC, 29202

Email: mwilloughby@willoughbyhoefer.com  
Phone: 803-252-3300  
Fax: 803-256-8062

  
\_\_\_\_\_  
Michael L. Kurtz, Esq.  
Kurt J. Boehm, Esq.

**BEFORE**

**THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA**

**Docket No. 2007-229-E**

<b>IN RE:</b>	:	
<b>Application of South Carolina Electric And Gas Company for Adjustments and Increases in the Company's Electric Rate Schedules and Tariff</b>	:	<b>THE KROGER CO'S FIRST SET OF DATA REQUESTS TO SOUTH CAROLINA ELECTRIC AND GAS COMPANY</b>

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**FIRST SET OF DATA REQUESTS OF  
THE KROGER CO.  
SOUTH CAROLINA ELECTRIC AND GAS COMPANY**

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SC PUBLIC SERVICE  
COMMISSION

**September 17, 2007**

## **DEFINITIONS**

1. "Document" means the original and all copies (regardless of origin and whether or not including additional writing thereon or attached thereto) of memoranda, reports, books, manuals, instructions, directives, records, forms, notes, letters, notices, confirmations, telegrams, pamphlets, notations of any sort concerning conversations, telephone calls, meetings or other communications, bulletins, transcripts, diaries, analyses, summaries, correspondence investigations, questionnaires, surveys, worksheets, and all drafts, preliminary versions, alterations, modifications, revisions, changes, amendments and written comments concerning the foregoing, in whatever form, stored or contained in or on whatever medium, including computerized memory or magnetic media.
2. "Study" means any written, recorded, transcribed, taped, filmed, or graphic matter, however produced or reproduced, either formally or informally, a particular issue or situation, in whatever detail, whether or not the consideration of the issue or situation is in a preliminary stage, and whether or not the consideration was discontinued prior to completion.
3. "Person" means any natural person, corporation, professional corporation, partnership, association, joint venture, proprietorship, firm, or the other business enterprise or legal entity.
4. A request to identify a natural person means to state his or her full name and residence address, his or her present last known position and business affiliation at the time in question.
5. A request to identify a document means to state the date or dates, author or originator, subject matter, all addressees and recipients, type of document (e.g., letter, memorandum, telegram, chart, etc.), number of code number thereof or other means of identifying it, and its present location and custodian. If any such document was, but is no longer in the Company's possession or subject to its control, state what disposition was made of it.
6. A request to identify a person other than a natural person means to state its full name, the address of its principal office, and the type of entity.
7. "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.
8. "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.
9. Words in the past tense should be considered to include the present, and words in the present tense include the past, unless specifically stated otherwise.
10. "You" or "your" means the person whose filed testimony is the subject of these interrogatories and, to the extent relevant and necessary to provide full and complete answers to any request, "you" or "your" may be deemed to include any person with information relevant to any interrogatory who is or was employed by or otherwise associated with the witness or who assisted, in any way, in the preparation of the witness' testimony.
11. South Carolina Electric and Gas Company ("SCE&G" or "Company") means any of their officers, directors, employees, or agents who may have knowledge of the particular matter addressed.

### **INSTRUCTIONS**

1. If any matter is evidenced by, referenced to, reflected by, represented by, or recorded in any document, please identify and produce for discovery and inspection each such document.
2. These interrogatories are continuing in nature, and information which the responding party later becomes aware of, or has access to, and which is responsive to any request is to be made available to the Kroger Co., studies, documents, or other subject matter not yet completed that will be relied upon during the course of this case should be so identified and provided as soon as they are completed. The Respondent is obliged to change, supplement and correct all answers to interrogatories to conform to available information, including such information as it first becomes available to the Respondent after the answers hereto are served.
3. Unless otherwise expressly provided, each interrogatory should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.
4. The answers provided should first restate the question asked and also identify the person(s) supplying the information.
5. Please answer each designated part of each information request separately. If you do not have complete information with respect to any interrogatory, so state and give as much information as you do have with respect to the matter inquired about, and identify each person whom you believe may have additional information with respect thereto.
6. In the case of multiple witnesses, each interrogatory should be considered to apply to each witness who will testify to the information requested. Where copies of testimony, transcripts or depositions are requested, each witness should respond individually to the information request.
7. The interrogatories are to be answered under oath by the witness(es) responsible for the answer.

**FIRST SET OF DATA REQUESTS  
OF THE KROGER CO. TO  
SOUTH CAROLINA ELECTRIC AND GAS COMPANY**

**Docket No. 2007-229-E**

- 1.1 **Exhibits supporting the testimony of James E. Swan, IV.** Please provide workpapers for Exhibits JES-1 through JES-6 in Microsoft Excel electronic format with all formulas intact.
- 1.2 **Federal Income Tax** - Please identify the actual amount of Domestic Production Activities ("DPA") deduction attributable to SCE&G in 2006 for its Total Electric jurisdiction and its Retail Electric jurisdiction, and the amount by which this deduction reduced SCE&G's actual Federal income tax liability for that year for both the Total Electric and Retail Electric jurisdictions.
- 1.3 **Federal Income Tax** – (a) Does the "Total Income Taxes" entry of \$138,908,000 shown in Column 2, Line 7 on page 1 of 3 of Exhibit No. JES-2 include the effects of the DPA deduction? (b) If not, please explain why not. (c) If so, please provide a workpaper detailing the derivation and incorporation of this deduction in the determination of the Total Income Tax expense as shown in Exhibit No. JES-2. (d) In the response to 1.2(c), does SCE&G uses the 3 percent deduction applicable to 2006 or the 6 percent deduction applicable to 2007?
- 1.4 **Federal Income Tax** – (a) Does the "Total Income Taxes" entry of \$130,780,000 shown in Column 2, Line 7 on page 2 of 3 of Exhibit No. JES-2 include the effects of the DPA deduction? (b) If not, please explain why not. (c) If so, please provide a workpaper detailing the derivation and incorporation of this deduction in the determination of the Total Income Tax expense as shown in Exhibit No. JES-2. (d) In the response to 1.3(c), does SCE&G uses the 3 percent deduction applicable to 2006 or the 6 percent deduction applicable to 2007?
- 1.5 **Federal Income Tax** – (a) How much of the proposed revenue increase of \$118,088,000 on Line 10 of Exhibit No. JES-3 is attributable to generation-related activities? (b) Does the Federal Income Tax entry on Line 13 of \$39,081,000 include the effects of the DPA applied to additional generation-related income?(c) If not, please explain why not.
- 1.6 **Federal Income Tax** – (a) Does the Composite Tax Factor of 0.61462 shown in Line 8 of Exhibit No. JES-3 include the effects of the DPA deduction? (b) If not, please explain why not. (c) If so, please provide a workpaper detailing the derivation and incorporation of this deduction in the determination of the Composite Tax Factor.
- 1.7 **Federal Income Tax** – (a) Has SCE&G reflected the effects of the DPA deduction anywhere in its jurisdictional revenue requirement calculation? (b) If not, please explain why not. (c) If so, please identify the exhibit(s) including this deduction and its supporting derivation.
- 1.8 **Federal Income Tax** - If not already included in SCE&G's direct filing, please estimate the amount of the reduction in Federal Income Tax that is attributable to the DPA deduction for Columns 2, 3, and 4 on Line 7 of Exhibit No. JES-2.
- 1.9 **Rate design.** Please provide the billing determinants and proof of revenues for all rate schedules in the Medium customer class in Microsoft Excel electronic format with all formulas intact.
- 1.10 **Reference direct testimony of John R. Hendrix:** Aside from the rate changes proposed in this proceeding, does SCE&G have any plans to propose any changes of any kind for Rate Schedule 21A prior to SCE&G's next general rate proceeding? If yes, please explain and provide all documentation supporting any plans for change.

DATED this 17<sup>th</sup> day of September, 2007.





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Michael L. Kurtz, Esq.

Kurt J. Boehm, Esq.

BOEHM, KURTZ & LOWRY

36 East Seventh Street, Suite 1510

Cincinnati, Ohio 45202

Ph: 513-421-2255 Fax: 513-421-2764

e-mail: [mkurtz@BKLawfirm.com](mailto:mkurtz@BKLawfirm.com)

[kboehm@BKLawfirm.com](mailto:kboehm@BKLawfirm.com)